

House Study Bill 632

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
ECONOMIC GROWTH BILL
BY CHAIRPERSON HOFFMAN)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act creating a training grant program for Iowa's software and
2 information technology sector and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 6267YC 80
5 tm/sh/8

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1 1 Section 1. NEW SECTION. 15E.311 SHORT TITLE.
1 2 This division shall be known as and may be cited as the
1 3 "Direct Training Grant Program for Iowa's Software and
1 4 Information Technology Sector".
1 5 Sec. 2. NEW SECTION. 15E.312 DEFINITIONS.
1 6 As used in this division, unless the context otherwise
1 7 requires:
1 8 1. "Board" means the training consortium board established
1 9 by the lead trade association pursuant to section 15E.313.
1 10 2. "Lead trade association" means the entity identified by
1 11 the department pursuant to section 15E.313.
1 12 Sec. 3. NEW SECTION. 15E.313 TRAINING GRANT PROGRAM.
1 13 1. The department shall identify a lead trade association
1 14 for purposes of forming a training consortium board and
1 15 receiving grant moneys from the department. A lead trade
1 16 association shall meet all of the following qualifications:
1 17 a. The association must be a nonprofit entity which is
1 18 exempt from federal income taxation pursuant to section
1 19 501(c)(3) of the Internal Revenue Code.
1 20 b. The association must be a recognized statewide
1 21 organization dedicated to strengthening and expanding the
1 22 software and information technology sector in this state.
1 23 2. The lead trade association shall establish a training
1 24 consortium board and shall serve as the administrator of the
1 25 board. The board shall consist of at least twelve members.
1 26 The membership shall include representatives from software and
1 27 information technology businesses located in this state and
1 28 shall include at least one representative, as selected by the
1 29 lead trade association, from each of the following:
1 30 a. The department of economic development.
1 31 b. An Iowa community college established under chapter
1 32 260C.
1 33 c. An institution of higher learning under the control of
1 34 the state board of regents.
1 35 3. The board shall do all of the following:
2 1 a. Identify and aggregate industry-specific programming,
2 2 certification, and training needs.
2 3 b. Determine eligibility criteria for the receipt of
2 4 training grant moneys.
2 5 c. Determine whether companies in the software and
2 6 information technology sector qualify to receive training
2 7 grant moneys.
2 8 d. Distribute moneys in the form of training grants on a
2 9 dollar-for-dollar matching basis.
2 10 4. The lead trade association may receive a grant from the
2 11 department on behalf of the board. Such moneys shall be used
2 12 for purposes of providing training grants on a dollar-for-
2 13 dollar matching basis.
2 14 5. The lead trade association shall not use more than five
2 15 percent of the moneys received by the department for
2 16 administrative purposes.
2 17 Sec. 4. NEW SECTION. 15E.314 REPORT.
2 18 By January 31 of each year, the training consortium board,
2 19 in cooperation with the lead trade association, shall submit a
2 20 written report to the governor and the general assembly
2 21 regarding the activities of the board during the previous
2 22 calendar year. The report shall include an explanation of how

2 23 moneys received from the department of economic development
2 24 have been used and what economic impact the training grants
2 25 have had on the state's economy.

2 26 Sec. 5. EFFECTIVE DATE. This Act, being deemed of
2 27 immediate importance, takes effect upon enactment.

2 28 EXPLANATION

2 29 This bill creates a training grant program for Iowa's
2 30 software and information technology sector.

2 31 The bill provides that the department of economic
2 32 development shall identify a lead trade association for
2 33 purposes of forming a training consortium board and receiving
2 34 grant moneys from the department. The bill provides that a
2 35 lead trade association shall be a nonprofit entity which is a
3 1 recognized statewide organization dedicated to strengthening
3 2 and expanding the software and information technology sector
3 3 in the state.

3 4 The bill provides that a lead trade association shall
3 5 establish a training consortium board and shall serve as the
3 6 administrator of the board.

3 7 The bill provides that the board shall identify and
3 8 aggregate industry-specific programming, certification, and
3 9 training needs, determine eligibility criteria for receiving
3 10 training grant moneys, determine whether companies in the
3 11 software and information technology sector qualify to receive
3 12 training grant moneys, and distribute moneys in the form of
3 13 training grants on a dollar-for-dollar matching basis.

3 14 The bill provides that a lead trade association may receive
3 15 a grant from the department on behalf of the board and that
3 16 such moneys shall be used for purposes of providing training
3 17 grants on a dollar-for-dollar matching basis. The bill
3 18 provides that the lead trade association shall not use more
3 19 than 5 percent of the moneys received by the department for
3 20 administrative purposes.

3 21 The bill provides that, by January 31 of each year, the
3 22 training consortium board, in cooperation with the lead trade
3 23 association, shall submit a written report to the governor and
3 24 the general assembly regarding the activities of the board
3 25 during the previous calendar year.

3 26 The bill takes effect upon enactment.

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